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April 12, 1988

The Bureau of Mines has released its annual Mineral Industry Survey for 1987 for each State. The 1987 production figures are preliminary estimates. We have enclosed a copy/copies for your information.

To increase the accuracy of our records and to update our mailing list, we would appreciate being advised of any corrections in name and address.

Thank you.

Very truly yours,

Fred V. Carrillo

Fred V. Carrillo
State Mineral Officer
Reno Regional Office
of State Activities

Enclosure

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MINERAL INDUSTRY SURVEYS

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON, D.C. 20241

Donald Paul Hodel, Secretary — David S. Brown, Acting Director

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Annual, Preliminary

THE MINERAL INDUSTRY OF NEVADA IN 1987

Nevada's 1987 nonfuel mineral production was estimated to be valued at $1,427 million, an increase of $450 million from that recorded in 1986, according to the Bureau of Mines, U.S. Department of the Interior. The increase resulted from a 32% increase in gold production to 2.7 million troy ounces and a 64% increase in silver. Nevada was the leading state in the nation in the production of gold, silver, and barite and was the sole producer of mined magnesite and mercury. Based on preliminary statistics, Nevada ranked 4th in the value of its 1987 nonfuel minerals production.

Construction and expansion projects were underway at most major gold facilities in the State. Echo Bay Mines Ltd. began construction in September of a planned $140 million expansion program at its Round Mountain gold operation. The expanded facilities which will process 35,000 tons of ore per day are scheduled to begin operation in September, 1988. American Barrick Resources began construction of a 3,500 ton/day mill to recover gold from its oxide ore and a crushing and agglomeration plant to increase heap-leach recovery at the Goldstrike Mine north of Carlin. Gold Fields Mining Corp. continued development at its Chimney Creek operation near Winnemucca. Amselco Minerals Inc. and at the Alligator Ridge Mine near Ely. Newmont Mining Corp. expanded operations at the Gold Quarry Mine near Carlin.

Mining operations were started at the Kingston Mine near Austin at the beginning of March by Nevada Goldfields Inc. Placer Management Group completed a $2 million expansion of its Dexter Mine in Esmeralda County in August, more than tripling production to 70,000 tons of ore per month. First Mississippi Corp. began construction of a $70 million open pit mine and mill at the Getchell gold property in Humboldt County. The first phase of construction at Freeport-McMoRan Gold Inc.'s Big Springs Mine in Elko County became fully operational in October. The first phase included plant site construction, open pit mine development, pre-production stripping, and construction of a 350,000 ton per year heap leaching and gold recovery facility. Hycroft Resources and Development Corp. began commercial operations at its $23 million precious metals project in Humboldt County.

New mining operations were also begun at 12 more gold properties including Echo Bay's McCoy Gold Mine near Battle Mountain, Sunshine Mining Co.'s Weepah Mine near Silverpeak, Pegasus Gold Inc.'s Florida Canyon project in Humboldt County, Placer U.S. Inc.'s Bald Mountain project near Ely, Western Goldfields Corp.'s Hog Ranch Mine near Gerlach, and Gold Venture Inc.'s Inspiration project near Austin.

Sunshine Mining Co.'s Silver Peak silver and gold operations in Esmeralda County were suspended in March. The state's major mercury mine, Placer U.S.'s McDermitt Mine in Humboldt County, was closed in January because of declining mercury use and prices.

Canyon Resources Corp. of Colorado purchased the Cyprus Industrial Minerals Co. diatomite facility near Fernley.

Prepared January 11, 1988, in the Reno Regional Office of State Activities in cooperation with the Nevada Bureau of Mines and Geology.

Table 1.--Nonfuel mineral production in Nevada 1/

Minerals	1985 Quantity	1985 Value (thousands)	1986 Quantity	1986 Value (thousands)	1987 p/ Quantity	1987 p/ Value (thousands)
Barite ---------- thousand short tons --	590	$10,904	184	$3,005	216	$4,305
Clays 2/ ----------do----	80	3,776	10	584	17	1,440
Gem stones ----------	NA	e/ 1,300	NA	213	NA	278
Gold (recoverable content of ores,etc.) ---------- troy ounces --	1,276,114	405,369	2,098,929	772,909	2,683,587	1,191,512
Gypsum ---------- thousand short tons --	1,207	8,942	1,236	8,221	1,244	8,275
Lead (recoverable content of ores,etc.) ---------- metric tons --	3/	3/	--	--	--	--
Mercury ---------- 76-pound flasks --	16,530	W	W	W	W	W
Perlite ---------- short tons --	W	W	4	122	4	123
Sand and gravel:						
Construction ---------- thousand short tons --	e/ 9,500	e/ 24,880	12,197	35,692	e/ 10,600	e/ 30,100
Industrial ----------do----	479	W	518	W	W	W
Silver (recoverable content of ores,etc.) thousand troy ounces --	4,947	30,383	6,409	35,056	12,625	90,903
Stone (crushed) ---------- thousand short tons --	1,334	6,218	e/ 1,500	e/ 7,000	1,600	5,400
Combined value of cement (portland), clays (fuller's earth, kaolin, 1985-86), copper (1985-86), diatomite, fluorspar, iron ore (usable), lime, ore (usable), lime, lithium minerals, magnesite, molybdenum (1985), salt, and values indicated by symbol W ----------	XX	139,201	XX	114,529	XX	94,627
Total----------	XX	630,973	XX	977,331	XX	1,426,963

e/ Estimated. p/ Preliminary. NA Not available. W Withheld to avoid disclosing company proprietary data, value included with "Combined value" figure. XX Not applicable.

1/ Production as measured by mine shipments, sales, or marketable production (including consumption by producers).

2/ May exclude certain clays; values will be included with "Combined value" figure.

3/ Less thans 1/2 unit.

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